July 21, 2016

Robert G. Taub Acting Chairman Postal Regulatory Commission 901 New York Avenue, NW West Tower, Suite 200 Washington, DC 20268

Dear Chairman Taub:

The U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations, and dedicated to promoting, protecting, and defending America's free enterprise system, urges the Postal Reform Commission to oppose the terminal dues proposals from the Universal Postal Union (UPU).

The Chamber has consistently had concerns with postal services around the world seeking to exercise their government-conferred advantages to the detriment of private sector businesses. However, the UPU proposals before the Commission in this docket are especially problematic because they allow postal services to set discriminatory rates independent of market forces, distorting competitive markets.

Not only does this result in millions of dollars in losses for the U.S. Postal Service when it delivers foreign goods, but it also harms American businesses that seek to compete with those foreign companies. In addition, the exclusive and opaque nature of the UPU prevents a full understanding of the degree to which terminal dues undermine competition.

Finally, the terminal dues proposal is inconsistent with the current approach taken by the United States for how the U.S. postal system establishes rates. For all of these reasons the Chamber urges the United States to oppose the terminal dues proposal put forward within the UPU.

Sincerely,

John Murphy

Senior Vice President for International Policy